

## 32.002

contract financing requests. The designated billing office might be—

- (1) The Government disbursing office;
- (2) The contract administration office;
- (3) The office accepting the supplies delivered or services performed by the contractor;
- (4) The contract audit office; or
- (5) A nongovernmental agent.

*Designated payment office* means the office designated in the contract to make invoice payments or contract financing payments. Normally, this will be the Government disbursing office.

*Due date* means the date on which payment should be made.

*Invoice payment* means a Government disbursement of monies to a contractor under a contract or other authorization for supplies or services accepted by the Government.

- (1) Invoice payments include—
  - (i) Payments for partial deliveries that have been accepted by the Government;
  - (ii) Final cost or fee payments where amounts owed have been settled between the Government and the contractor;
  - (iii) For purposes of subpart 32.9 only, all payments made under the clause at 52.232-5, Payments Under Fixed-Price Construction Contracts, and the clause at 52.232-10, Payments Under Fixed-Price Architect-Engineer Contracts; and
  - (iv) Interim payments under a cost-reimbursement contract for services when *Alternate I* of the clause at 52.232-25, Prompt Payment, is used.

- (2) Invoice payments do not include contract financing payments.

*Liquidate* means to decrease a payment for an accepted supply item or service under a contract for the purpose of recouping financing payments previously paid to the contractor.

*Unusual contract financing* means any financing not deemed customary contract financing by the agency. Unusual contract financing is financing that is legal and proper under applicable laws, but that the agency has not authorized contracting officers to use without spe-

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cific reviews or approvals by higher management.

[52 FR 30077, Aug. 12, 1987, as amended at 60 FR 49710, Sept. 26, 1995; 66 FR 2131, Jan. 10, 2001; 66 FR 65354, Dec. 18, 2001; 67 FR 13054, Mar. 20, 2002; 74 FR 28431, June 15, 2009]

### 32.002 Applicability of subparts.

(a) The following sections and subparts of this part are applicable to all purchases subject to part 32:

- (1) Sections 32.000 through 32.005.
- (2) Subpart 32.3, Loan Guarantees for Defense Production.
- (3) Subpart 32.6, Contract Debts.
- (4) Subpart 32.7, Contract Funding.
- (5) Subpart 32.8, Assignment of Claims.
- (6) Subpart 32.9, Prompt Payment.
- (7) Subpart 32.11, Electronic Funds Transfer.

(b) Subpart 32.2, Commercial Item Purchase Financing, is applicable only to purchases of commercial items under authority of part 12.

(c) The following subparts of this part are applicable to all purchases made under any authority other than part 12:

- (1) Subpart 32.1, Non-Commercial Item Purchase Financing.
- (2) Subpart 32.4, Advance Payments For Non-Commercial Items.
- (3) Subpart 32.5, Progress Payments Based on Costs.
- (4) Subpart 32.10, Performance-Based Payments.

[60 FR 49710, Sept. 26, 1995, as amended at 61 FR 45772, Aug. 29, 1996]

### 32.003 Simplified acquisition procedures financing.

Unless agency regulations otherwise permit, contract financing shall not be provided for purchases made under the authority of part 13.

[60 FR 49710, Sept. 26, 1995]

### 32.004 Contract performance in foreign countries.

The enforceability of contract provisions for security of Government financing in a foreign jurisdiction is dependent upon local law and procedure. Prior to providing contract financing where foreign jurisdictions may become involved, the contracting officer shall ensure the Government's security